

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
Baltimore Division**

IN RE

OR PARTNERS, INC.,

Debtor.

BANKRUPTCY CASE NO:
04-18625-SD
(Chapter 11)

IN RE

OR RAMBLEWOOD, LLC,

Debtor.

BANKRUPTCY CASE NO:
04-17917-SD
(Chapter 11)

(Jointly administered under
Case no. 04-18625)

**APPLICATION OF THE U.S. TRUSTEE
FOR ENTRY OF ORDER APPROVING THE APPOINTMENT
OF DAVID RICE AS CHAPTER 11 TRUSTEE**

The U.S. Trustee hereby applies to the Court, pursuant to Federal Rule of Bankruptcy Procedure 2007.1, for an Order Approving the Appointment of David Rice as Chapter 11 trustee in the above-captioned cases, and in support thereof, states as follows:

1. On March 31, 2004, an involuntary petition was filed against OR Ramblewood, LLC ("Ramblewood"). With the consent of Ramblewood, an order for relief under chapter 11 was entered on June 15, 2004.
2. On April 7, 2004, an involuntary petition was filed against OR Partners, Inc. ("Partners"). With the consent of Partners, an order for relief under chapter 11 was entered

on June 25, 2004. Ramblewood and Partners are collectively referred to herein as the “Debtors.”

3. On September 21, 2004, the Court entered an order providing for the joint administration of the Debtors' cases under the Partners' case number, 04-18625.

4. On April 13, 2005, Partners' case was dismissed upon the U.S. Trustee's motion to convert or dismiss. Partners filed a motion to reconsider and to strike the order dismissing its case, while creditor David Ready filed a motion to reconsider and convert Partners' case to Chapter 7. A hearing was set to consider the motions to reconsider for June 9, 2005.

5. In the Ramblewood case, the U.S. Trustee had also filed a motion to convert or dismiss. Ramblewood filed a response opposing the motion, while creditor David Ready filed a response asking the Court to convert the case to Chapter 7. A hearing was set to consider the motion and the responses thereto for May 5, 2005. The parties reached an agreement and the Ramblewood hearing was continued to the same date as the Partners' hearing, June 9, 2005, to allow Ramblewood time to comply with that agreement.

6. Immediately prior to the June 9, 2005 hearing, the Debtors, the U.S. Trustee, David Ready and secured creditor Baltimore Community Development Finance Corporation (“BCDFC”) reached an agreement to resolve the pending motions to reconsider in Partners, as well as the pending motion to convert or dismiss in Ramblewood. The order dismissing the Partners' case would be vacated, and a chapter 11 trustee would be appointed in both the Debtors' cases. That agreement was placed on the record and subsequently memorialized in consent orders.

7. The consent orders directing the U.S. Trustee to appoint a chapter 11 trustee were entered in the Ramblewood case on June 15, 2005, and in the Partners' case on June 22, 2005.

8. Subject to this Court's approval, the U.S. Trustee has appointed David Rice (the "Appointee"), a disinterested person, to serve as the Chapter 11 trustee in both the Debtors' cases.

9. In the interest of judicial economy and cost reduction, it appears at this time that the appointment of a single chapter 11 trustee to serve in these two jointly-administered cases is appropriate. If the interests of the estate diverge, the Appointee is required to consult with the U.S. Trustee and file such disclosures as are necessary and appropriate.

10. Prior to seeking the appointment of David Rice as the Chapter 11 trustee, the U.S. Trustee, through his Assistant and attorneys, consulted with the following persons regarding the appointment:

- A. Jeffrey Orenstein - counsel for David Ready, former principal of the Debtors, and the largest unsecured creditor in both cases;
- B. David Musgrave and Michael Blumenfeld - counsel for BCDFC, a secured creditor in both cases; and
- C. Howard Heneson - counsel for the Debtors.

11. To the best of the U.S. Trustee's knowledge, all of the Appointee's connections with the Debtors, creditors, other parties in interest, their respective attorneys, the Court, the

U.S. Trustee and his employees are set forth in the Appointee's verified statement attached hereto.

12. To the best of the U.S. Trustee's knowledge, the Appointee has no connection with the Court or the U.S. Trustee which would render approval of his appointment improper.

WHEREFORE, the U.S. Trustee respectfully requests that this Court enter an order approving the appointment of David Rice as Chapter 11 trustee in this case.

Respectfully submitted,

W. Clarkson McDow, Jr.
United States Trustee, Region Four

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 24th day of June, 2005, after reviewing the Court's ECF records, that all persons required to be served with a copy of the foregoing Application of the U.S. Trustee for Entry of an Order Approving Appointment of David Rice as Chapter 11 Trustee should receive a copy electronically from the Court, except for the following persons to whom a copy is being mailed first-class, postage prepaid:

David E. Rice, Esquire
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Baltimore, MD 21201

Thomas McCarthy
79 Franklin St.
Annapolis, MD 21401

/s/ Sandra A. Manocchio
Sandra A. Manocchio

According to the Court's ECF records, electronic notice of this motion should be provided to the following persons:.

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